



MICHELLE HINCHEY
NEW YORK STATE SENATOR | SD - 46



****PRESS RELEASE****

Senator Michelle Hinchey and Advocates Champion \$200 Million State Budget Proposal to Fund Rural and Upstate Housing Needs

Senator Hinchey Leads Budget Push for Significant Housing Investment, Promotes Initiatives to Increase Upstate Housing Supply & Address Affordability

ALBANY, NY – On Wednesday in Albany, Senator Michelle Hinchey led a group of housing advocates in championing a historic \$200 million budget proposal to address the housing crisis in New York's upstate and rural communities. Hinchey's plan is the first of its kind in the state budget to direct this scale of investment to increase the supply of affordable homes both for purchase and for rent in upstate New York.

Senator Michelle Hinchey said, "The dire shortage of affordable and workforce housing in upstate New York remains a persistent problem across our communities, which have been grappling with a decreased supply for decades. The housing crisis is an issue of upstate equity, it's an issue of prolonged underinvestment that has pushed families out of our communities because they can no longer afford to live here, and it's an issue that we are calling on the Legislature to fund in a real way this budget season. We've put together a \$200 million proposal to address the housing shortage in rural and upstate New York from key angles — the likes of which have never been done before in a state budget. I'm proud to champion this effort, and I am fighting to deliver this transformational level of funding to bring more stable, healthy, and affordable homes to upstate New York."

Michael Borges, Executive Director of the Rural Housing Coalition, said, "Rural New York has found a champion in Senator Hinchey and we greatly appreciate her efforts and those of her colleagues in highlighting issues impacting rural communities, like the need for more affordable housing and increased funding for rural preservation companies and the services they provide."

Mike Gilliard, Executive Director of the Kingston City Land Bank, said, "To continue to provide the most well-designed, affordable homes for our community, the Kingston City Land Bank strongly supports an increase in funding for the AHC program. For decades, AHC funds have been the cornerstone of creating affordable homeownership opportunities throughout the State. This new funding could not come at a more critical time for current and future generations of New York families. We celebrate the Senator's leadership to champion this important and necessary increase in funding for the AHC program."

Adam Zaranko, President of the New York Land Bank Association and Executive Director of the Albany County Land Bank Corporation said, "Across New York, many communities are struggling to combat vacant and abandoned properties, the affordable housing crisis and economic inequality. By investing in New York's land banks, community development organizations and programs that support the creation or preservation of affordable housing we can equip our communities with the tools and resources they need to fight back and transform vacant properties into affordable housing, pathways to build wealth and opportunities to revitalize our cities, towns and villages. Thank you to Senator Hinchey and her colleagues in the Senate for working to secure these vital resources for communities throughout New York."

Tolga Morawski, Executive Director of the Greater Mohawk Valley Land Bank, said, "We appreciate the support of Senator Hinchey and her colleagues in the NYS Senate in recognizing the challenges faced in providing safe, affordable housing to communities across the state, proving especially difficult in rural communities where the capacity to renovate or build such housing has suffered disproportionately through the pandemic. We hope to continue this important work providing much needed homes to families across the Mohawk Valley."

Christine Brady LaValle, Executive Director, Ulster County Habitat for Humanity, said, "The Senator's proposal addresses many vital funding sources for organizations working to create affordable rental and homeownership opportunities upstate for non profits like Ulster Habitat. The increased funding in the proposal for AHC, the Affordable Housing Corporation, is a crucial source of funding for us, and for Habitat affiliates statewide. This critical funding has helped our affiliate grow to multiple builds per year, allowing us to serve more families in a time where housing has never been more needed, and at the same time more difficult to attain."

Kevin O'Connor, Chief Executive Officer of RUPCO, said, "The housing crisis in the Hudson Valley is at an all-time feverish high. We appreciate Senator Hinchey's strong support for increased funding for New York's critical housing programs and the non-profit sector to deliver these funds to individuals and families struggling for safe, decent and affordable housing."

Blair Sebastian, Director of New York State Rural Advocates, said, “For forty years the community based organizations known as Rural Preservation Companies have been addressing affordable housing challenges that are unique to their own communities. Funded in part by the State and governed by a local board of directors, these organizations are again proving that they are resourceful, creative and nimble in addressing the affordable housing crisis currently impacting small towns and rural places in our State.”

Larry Krajewski, Executive Director of the Catskill Mountain Housing Authority, said, “Catskill Mountain Housing has administered three New York Main Street Program grants, two in Catskill Village and one in the Reed Street Historic district in the village of Coxsackie. These grants were all made to historic districts within our service area of Greene County. They have bolstered local efforts – to maintain historic values, to support existing business and to attract new businesses into these districts. We have given grants to small businesses looking to maintain and improve their buildings, to new businesses coming into these districts and to some large scale developers who are leveraging New York Main Street grants to bring major projects into these communities. We have seen first hand the investment made by and with the New York Main Street program in these communities. New York towns and villages need this program to spur investment and vitality into their Main Streets.”

Senator Hinchey is championing funding for seven key housing programs through the 2022-23 State Budget. They are as follows:

- **Affordable Housing Corporation (AHC):** The Affordable Housing Corporation creates homeownership opportunities for low- and moderate-income families by providing grants to government, non-profit, and charitable organizations to subsidize the cost of newly constructed houses as well as the renovation of owner-occupied housing, and supporting down payment and closing-cost assistance.
- **Rural Preservation Program (RPP):** The Rural Preservation Program provides support to community-based not-for-profit corporations known as Rural Preservation Companies (RPCs), which are the main conduit through which the state delivers safe, healthy, and affordable housing resources for families in rural and distressed areas, including mobile and manufactured home replacement, accessibility modifications, “Main Street” and downtown revitalization, septic and well upgrades, crime watch programs, legal assistance, weatherization assistance.
- **Small Rental Development Initiative (SRDI):** The Small Rental Development Initiative supports the creation and preservation of small rental developments of fewer than 20 units as well as single-family housing, which are typically left out of state and federal subsidies, tend to generate less revenue, and are at high risk of financial instability due to vacancy. This funding would be awarded to non-profits, community housing development organizations, and housing authorities that will own, develop and long-term manage single-family and small rental development housing throughout New York State to meet the needs of communities with populations of 70,000 or less.

- **Rural Rental Assistance Program (RRP):** The Rural Rental Assistance Program is used to reduce the rent paid by low-income families who live in eligible Rural Rental Housing (RRH) and Farm Labor Housing (FLH) projects financed by the United States Department of Agriculture (USDA) Rural Housing Services (RHS) 515 Program. A funding increase for this program will increase the supply of affordable rental units across upstate New York by expanding eligibility for rental subsidies to non-USDA housing and housing developments that don't currently receive state funding.
- **Community Land Trust Revolving Acquisition Fund:** Community Land Trusts rehabilitate homes in need of repair and support first-time homeownership that stays affordable for the long term. Many CLTs lack the upfront capital to purchase homes and fund needed construction and repair, but by adding a revolving acquisition fund to the program, CLTs would have the ability to acquire and flip zombie properties across the state and create more long-term affordable housing.
- **RESTORE/ACCESS to Home Program:** The RESTORE/ACCESS to Home Program provides financial resources to assist low-income senior citizen homeowners and people with disabilities with the cost of addressing emergency home needs and code violations that pose a threat to their health and safety or affect the livability of the home. Assistance for the cost of these critical repairs enables seniors and those with disabilities to continue to live independently in their homes.
- **The New York Main Street Program (NYMS):** The New York Main Street Program provides financial resources and technical assistance to units of local government and not-for-profit organizations that are committed to revitalizing historic downtowns, village centers, and residential elements of mixed-use neighborhood commercial districts. Increased funding will support an expanded program as well as the development of a New York State Main Street Center to help deliver these programs.

Senator Michelle Hinchey represents the 46th Senate District, which includes Greene and Montgomery Counties and parts of Albany, Schenectady, and Ulster Counties. Senator Hinchey serves as Chair of the Agriculture Committee and sits on the Alcoholism and Substance Abuse, Commerce, Economic Development and Small Business, Cultural Affairs, Tourism, Parks and Recreation, Energy and Telecommunications, Environmental Conservation, and Local Government Committees.

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